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VIA EFILING AND HAND DELIVERY

January 8, 2008

Mr. Charles L.A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, SC 29210

Re: Rulemaking Regarding Maximum Rate Tariff System for the Household Goods Industry -
Notice of Drafting Filed with the South Carolina Legislative Council
Docket No. 2007-421-T

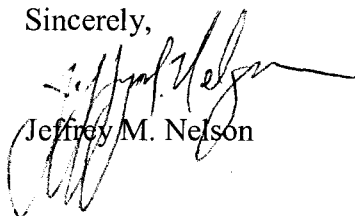
Dear Mr. Terreni:

On December 12, 2007, the Commission requested that comments regarding whether regulations instituting a maximum rate tariff system for the household goods industry should be promulgated, and if so, how such requirements should be implemented. The deadline to file comments is January 31, 2008.

The Office of Regulatory Staff ("ORS") files the enclosed comments regarding the referenced docket. ORS welcomes the opportunity to offer proposed regulations to the Commission in the future regarding the establishment of a maximum rate tariff system once the issues and direction in this matter have been more precisely defined.

ORS appreciates the opportunity to comment and plans to participate in any workshops the Commission may hold regarding this matter. We will continue to review the regulations and forward any additional comments.

Sincerely,



Jeffrey M. Nelson

ORS has identified the following issues for the Commission to explore regarding regulations implementing and governing a maximum rate tariff system.

1. Address the effect of Surface Transportation ruling Ex Parte 656 on the South Carolina Tariff Bureau (“SCTB”) tariff filings on behalf of certificated household goods motor carriers.

This ruling could mandate the disbandment of the SCTB causing household goods motor carriers to file individual tariffs for Commission approval in a short timeframe.

2. Discuss the advantages and disadvantages of a maximum rate tariff structure.

The maximum rate tariff structure has been implemented in surrounding states such as North Carolina and Georgia. ORS recommends a thorough review of guaranteed pricing practices to ensure the fair treatment of both the household goods motor carrier and the consumer.

In researching this type of rate structure, ORS has received the following positive feedback on the implementation of a maximum rate tariff structure:

- a. A level playing field is created for household goods motor carriers
- b. It promotes competition
- c. It provides consumers with adequate protection
- d. It is regulatory friendly
- e. The tariff is easily accessible and understandable by the public

3. Discuss how the maximum rate tariff system would be implemented.

ORS recommends the Commission consider the timeframe for implementation of the maximum rate tariff structure and the training requirements needed by the household good carriers.

4. Consider the process and criteria for periodic maximum rate tariff adjustments.

ORS recommends the maximum rate tariff structure be periodically adjusted. The basis for this adjustment can be linked to an approved industry index.

5. Determine whether terms and conditions governing the household goods motor carrier’s business practices should be contained within the maximum rate tariff.

Currently, household goods motor carriers include general terms and conditions with the tariff. ORS recommend the household good motor carrier be required to provide customers with a copy of the bill of rights during each move.

6. Define business terms or practices including, but not limited to, “binding estimates”, “not to exceed estimates”, and “guaranteed estimates.” Identify how these practices will affect the shipper as well as the carrier.

7. The maximum rate tariff structure should be enforced to protect the consumer and household goods motor carrier.

ORS recommends enforcement of the maximum rate tariff structure. Enforcement should include periodic monitoring of bills of lading to ensure correct application of rates. In addition, consumer complaints should be effectively addressed by the household goods motor carriers.

8. The Commission should consider the practices of other States

- a. California implemented the maximum rate tariff structure and annual adjustments are made to the rate structure based on the Consumer Price Index.
- b. Georgia enacted the maximum rate tariff structure in January 2001.
- c. Washington implemented the maximum rate tariff structure and annual adjustments are made to the rate structure based on Price Deflator of the Gross Domestic Product.